

## SENATE BILL NO. 124

INTRODUCED BY G. ROUSH

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MONEY IN THE TREASURE STATE ENDOWMENT REGIONAL WATER SYSTEM SPECIAL REVENUE ACCOUNT TO BE USED TO PAY THE COSTS OF ELIGIBLE PROJECTS ON AN INTERIM BASIS; AMENDING SECTION 90-6-715, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 90-6-715, MCA, is amended to read:

**"90-6-715. (Temporary) Special revenue account -- use.** (1) The treasure state endowment regional water system special revenue account may be used to:

(a) provide matching funds to plan and construct regional drinking water systems in Montana; ~~and to~~  
(b) provide funding of administrative expenses for state and local entities associated with regional drinking water systems; or

(c) pay the costs of eligible projects on an interim basis pending the receipt of grant and loan funds by those systems or entities. Except for the administrative expenses and payment of the costs of eligible projects on an interim basis provided for in this subsection, each state dollar must be matched equally by local funds. Federal and state grants may not be used as a local match.

(2) Up to 25% of the local matching funds required under subsection (1) for the treasure state endowment regional water system may be in the form of debt that was incurred by local government entities included in the regional water system to construct individual drinking water systems before the individual systems were connected to the regional system. However, the amount of an individual entity's debt that may be used for matching funds is limited to the amount necessary to allow the entity to maintain its water service charges below the hardship standard established by the department through administrative rules adopted under 90-6-710.

(3) The funds in the account are further restricted to be used to finance regional drinking water systems that supply water to large geographical areas and serve multiple local governments, such as projects in north

1 central Montana, from the waters of the Tiber reservoir, that will provide water for domestic use, industrial use,  
2 and stockwater for communities and rural residences that lie south of the Canadian border, west of Havre, north  
3 of Dutton, and east of Cut Bank and in northeastern Montana, from the waters of the Missouri River, that will  
4 provide water for domestic use, industrial use, and stockwater for communities and rural residences that lie  
5 south of the Canadian border, west of the North Dakota border, north of the Missouri River, and east of range  
6 39.

7 (4) The funds must be administered by the department of natural resources and conservation for eligible  
8 projects. (Terminates June 30, 2016--sec. 1, Ch. 70, L. 2001.)"

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10 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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